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used in presenting the information in the model form to ensure that the information is readable:

A. A readable font style and font size (10-point minimum font size);

B. Sufficient spacing between lines of the text;

C. Standard spacing between words and characters. In other words, the text was not compressed to appear smaller than 10-point type;

D. Sufficient white space around the text of the information in each row, by providing sufficient margins above, below and to the sides of the text;

E. Sufficient contrast between the text and the background. Generally, black text was used on white paper.

iv. While the regulation does not require creditors or servicers to use the above formatting techniques in presenting information in the tabular format (except for the 10-point minimum font size requirement), creditors and servicers are encouraged to consider these techniques when deciding how to disclose information in the notice to ensure that the information is presented in a readable format.

v. Creditors and servicers may use color, shading and similar graphic techniques with respect to the notice, so long as the notice remains substantially similar to model form H-29.

30. *Standard Loan Estimate and Closing Disclosure forms.* Forms H-24(A) through (G), H-25(A) through (J), and H-28(A) through (J) are model forms for the disclosures required under §§1026.37 and 1026.38. However, pursuant to §§1026.37(o)(3) and 1026.38(t)(3), for federally related mortgage loans forms H-24(A) through (G) and H-25(A) through (J) are standard forms required to be used for the disclosures required under §§1026.37 and 1026.38, respectively.

EFFECTIVE DATE NOTE 3. At 79 FR 65325, Nov. 3, 2014, supplement I to part 1026 was amended by revising paragraph 2, under *Section 1026.43*, subheading *Paragraph 43(e)(3)(iv)*, effective Aug. 1, 2015. For the convenience of the user, the revised text is set forth as follows:

**SUPPLEMENT I TO PART 1026—OFFICIAL
INTERPRETATIONS**

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**SUBPART E—SPECIAL RULES FOR CERTAIN
HOME MORTGAGE TRANSACTIONS**

* * * * *

12 CFR Ch. X (1–1–15 Edition)

*Section 1026.43—Minimum Standards for
Transactions Secured by a Dwelling*

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Paragraph 43(e)(3)(iv).

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2. *Relationship to RESPA tolerance cure.* Under Regulation X (12 CFR 1024.7(i)), if any charges at settlement exceed the charges listed on the good faith estimate of settlement costs by more than the amounts permitted under 12 CFR 1024.7(e), the loan originator may cure the tolerance violation by reimbursing the amount by which the tolerance was exceeded at settlement or within 30 calendar days after settlement. Similarly, under §1026.19(f)(2)(v), if amounts paid by the consumer exceed the amounts specified under §1026.19(e)(3)(i) or (ii), the creditor complies with §1026.19(e)(1)(i) if the creditor refunds the excess to the consumer no later than 60 days after consummation. The amount paid to the consumer pursuant to §1026.43(e)(3)(iv) may be offset by the amount paid to the consumer pursuant to 12 CFR 1024.7(i) or §1026.19(f)(2)(v), to the extent that the amount paid to the consumer pursuant to 12 CFR 1024.7(i) or §1026.19(f)(2)(v) is being applied to fees or charges included in points and fees pursuant to §1026.32(b)(1). However, a creditor or assignee has not satisfied §1026.43(e)(3)(iii) unless the total amount described in §1026.43(e)(3)(iv), including any offset due to a payment made pursuant to 12 CFR 1024.7(i) or §1026.19(f)(2)(v), is paid to the consumer within 210 days after consummation and prior to the occurrence of any of the events in §1026.43(e)(3)(iii)(B)(1) through (3).

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**PART 1030—TRUTH IN SAVINGS
(REGULATION DD)**

Sec.

1030.1 Authority, purpose, coverage, and effect on state laws.

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APPENDIX A TO PART 1030—ANNUAL PERCENTAGE YIELD CALCULATION

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APPENDIX B TO PART 1030—MODEL CLAUSES
AND SAMPLE FORMS

APPENDIX C TO PART 1030—EFFECT ON STATE
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APPENDIX D TO PART 1030—ISSUANCE OF OFFI-
CIAL INTERPRETATIONS

SUPPLEMENT I TO PART 1030—OFFICIAL INTER-
PRETATIONS

AUTHORITY: 12 U.S.C. 4302-4304, 4308, 5512,
5581.

SOURCE: 76 FR 79278, Dec. 21, 2011, unless
otherwise noted.

§ 1030.1 Authority, purpose, coverage, and effect on state laws.

(a) *Authority.* This part, known as Regulation DD, is issued by the Bureau of Consumer Financial Protection to implement the Truth in Savings Act of 1991 (the act), contained in the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 3201 *et seq.*, Public Law 102-242, 105 Stat. 2236), as amended by title X, section 1100B of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Pub. L. 111-203, 124 Stat. 1376). Information-collection requirements contained in this part have been approved by the Office of Management and Budget under the provisions of 44 U.S.C. 3501 *et seq.* and have been assigned OMB No. 3170-0004.

(b) *Purpose.* The purpose of this part is to enable consumers to make informed decisions about accounts at depository institutions. This part requires depository institutions to provide disclosures so that consumers can make meaningful comparisons among depository institutions.

(c) *Coverage.* This part applies to depository institutions except for credit unions. In addition, the advertising rules in §1030.8 of this part apply to any person who advertises an account offered by a depository institution, including deposit brokers.

(d) *Effect on state laws.* State law requirements that are inconsistent with the requirements of the act and this part are preempted to the extent of the inconsistency. Additional information on inconsistent state laws and the procedures for requesting a preemption determination from the Bureau are set forth in appendix C of this part.

§ 1030.2 Definitions.

For purposes of this part, the following definitions apply:

(a) *Account* means a deposit account at a depository institution that is held by or offered to a consumer. It includes time, demand, savings, and negotiable order of withdrawal accounts. For purposes of the advertising requirements in §1030.8 of this part, the term also includes an account at a depository institution that is held by or on behalf of a deposit broker, if any interest in the account is held by or offered to a consumer.

(b) *Advertisement* means a commercial message, appearing in any medium, that promotes directly or indirectly:

(1) The availability or terms of, or a deposit in, a new account; and

(2) For purposes of §§1030.8(a) and 1030.11 of this part, the terms of, or a deposit in, a new or existing account.

(c) *Annual percentage yield* means a percentage rate reflecting the total amount of interest paid on an account, based on the interest rate and the frequency of compounding for a 365-day period and calculated according to the rules in appendix A of this part.

(d) *Average daily balance method* means the application of a periodic rate to the average daily balance in the account for the period. The average daily balance is determined by adding the full amount of principal in the account for each day of the period and dividing that figure by the number of days in the period.

(e) *Bureau* means the Bureau of Consumer Financial Protection.

(f) *Bonus* means a premium, gift, award, or other consideration worth more than \$10 (whether in the form of cash, credit, merchandise, or any equivalent) given or offered to a consumer during a year in exchange for opening, maintaining, renewing, or increasing an account balance. The term does not include interest, other consideration worth \$10 or less given during a year, the waiver or reduction of a fee, or the absorption of expenses.

(g) *Business day* means a calendar day other than a Saturday, a Sunday, or any of the legal public holidays specified in 5 U.S.C. 6103(a).

(h) *Consumer* means a natural person who holds an account primarily for personal, family, or household purposes, or to whom such an account is offered. The term does not include a